

**UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION**

In re:

RMS TITANIC, INC., *et al.*,¹

Case No. 3:16-bk-02230-PMG
Chapter 11 (Jointly Administered)

Debtors.

**APPLICATION OF THE DEBTORS FOR ENTRY OF AN ORDER
PURSUANT TO 11 U.S.C. §§ 327(a), 328(a) and 1107(b) AUTHORIZING
EMPLOYMENT AND RETENTION OF GLASSRATNER ADVISORY &
CAPITAL GROUP LLC AS FINANCIAL ADVISORS AND CHIEF
RESTRUCTURING OFFICER FOR THE DEBTORS AND
DEBTORS IN POSSESSION EFFECTIVE AS OF THE DATE HEREOF**

RMS Titanic, Inc. and certain of its affiliates, as debtors and debtors in possession in the above-captioned case (collectively, the “Debtors”), by undersigned counsel, pursuant to 11 U.S.C. §§ 105(a) and 363(b), file this Application for Order Authorizing Retention of GlassRatner Advisory & Capital Group, LLC (the “Application”) seeking an order authorizing the retention of the firm of GlassRatner Advisory & Capital Group, LLC (“GlassRatner”) to provide restructuring management services and Ronald L. Glass (“Mr. Glass”) as Chief Restructuring Officer (“CRO”). In support of this Application, the Debtors respectfully represent as follows:

¹ The Debtors in the chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number include: RMS Titanic, Inc. (3162); Premier Exhibitions, Inc. (4922); Premier Exhibitions Management, LLC (3101); Arts and Exhibitions International, LLC (3101); Premier Exhibitions International, LLC (5075); Premier Exhibitions NYC, Inc. (9246); Premier Merchandising, LLC (3867), and Dinosaurs Unearthed Corp. (7309). The Debtors’ service address is 3045 Kingston Court, Suite I, Peachtree Corners, Georgia 30071.

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are sections 327(a), 328(a) and 1107(b) of Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016.

BACKGROUND

3. On June 14, 2016 (the “Petition Date”), the Debtors each filed a voluntary petition in this Court for relief under chapter 11 of the Bankruptcy Code, commencing the above-captioned case (the “Bankruptcy Case”).

4. The Debtors continue to operate their businesses as debtors in possession pursuant to Bankruptcy Code sections 1107 and 1108.

5. No trustee or examiner has been appointed in the Bankruptcy Case.

6. The factual background relating to the Debtors, including its current and historical business operations, and the events precipitating the chapter 11 filing, are set forth in the *Chapter 11 Case Management Summary* (the “Case Summary”), which is incorporated herein by reference.

RELIEF REQUESTED

7. By this Application, the Debtors seek entry of an order pursuant to sections 327(a), 328(a) and 1107(b) of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016 authorizing the Debtors to retain and employ GlassRatner as financial advisors and Mr. Glass as CRO effective as of the date hereof.

8. Mr. Glass and GlassRatner have extensive experience in providing restructuring advisory services in reorganization proceedings and have an excellent reputation for the services they have rendered in Chapter 11 cases on behalf of debtors and creditors throughout the United States. The compensation arrangement is consistent with, and typical of, arrangements entered into by GlassRatner and other restructuring and consulting firms with respect to rendering similar services for clients such as the Debtors.

9. Mr. Glass began his career in turnaround and crisis management in 1974 as Vice President of Great American Mortgage Investors, the third largest real estate investment trust in the country. Mr. Glass formulated and implemented an asset exchange program that allowed Great American to reduce its debt by more than \$200 million and substantially reduce the number of unsecured creditors. Mr. Glass continued with Great American assisting the Company through a Chapter 11 filing and a successful plan of arrangement.

10. In 1978, Mr. Glass accepted an assignment from NCNB Mortgage (Bank of America) to evaluate and liquidate a major land holding in Augusta, Georgia. In 1981, Mr. Glass returned to Great American as the Chief Operating Officer at the request of Sam Zell, who had recently acquired control of the company. During his initial eighteen months as COO, the company's general and administrative expenses were reduced by more than 50%, the company was stabilized and the stock price increased three-fold from \$6.50 to \$18.50 per share. Mr. Glass continued with Great American, as it became a diversified holding company involved in manufacturing, agri-chemicals, financial services and real estate. The company was ultimately taken private at \$55.00 per share.

11. From 1981 until 1997, Mr. Glass held positions as COO and/or Executive Vice President of numerous entities controlled by Sam Zell, one of the most successful turnaround

and deal makers in America. As part of the executive group, he was privy to the structuring of several high profile investments, including: The formation of the Zell/Merrill Opportunity Funds, which raised more than \$1.5 billion of equity for the acquisition of commercial office buildings and apartments valued at over \$6 billion. Some of the more notable transactions and turnarounds included well-known companies such as Revco Drugs, Schwinn Bicycle Company, Jacor Communications, The Broadway Stores, and Midway Airlines.

12. During Mr. Glass's employment with the Zell Organization, Mr. Glass participated in the following transactions:

- Liquidation of a multi-location hotel operating company with assets in excess of \$100 million
- Liquidation of \$175 million multi-family portfolio, a \$225 million shopping center portfolio, and a \$220 million office portfolio

13. GlassRatner is regularly engaged to assist financially troubled companies across the United States. Mr. Glass has been personally involved in bankruptcy cases and out-of-court restructurings throughout the United States, including in the Eleventh Circuit. He has served as Chief Restructuring Officer, Trustee, and Receiver in multiple engagements since 1988.

14. Based on the foregoing, the Debtors believe the engagement of GlassRatner, and Mr. Glass as CRO is the best interest of the estates and its creditors.

APPLICABLE AUTHORITY

15. Glass Rather shall provide the following services for the Debtors:

a. Duties and Powers.

- i. The CRO shall perform a financial review of the Debtors, including but not limited to a review and assessment of financial information that has been, and that will be, provided by the Debtors to their creditors, including without limitation its short and long-term projected cash flows,

and shall assist the Debtors in developing, refining and implementing its business plans, and the CRO shall have the power to implement such business plans;

- ii. The CRO shall assist in the identification of cost reduction and operations improvement opportunities and the CRO shall have the power and authority to implement such cost reduction recommendations; and
- iii. The CRO shall develop possible restructuring plans or strategic alternatives for maximizing the enterprise value of the Debtors' various business lines, the CRO shall determine which plan(s) or alternative(s) are appropriate under the circumstances and the CRO shall use commercially reasonable efforts to attempt to implement such plan(s) or alternative(s).

PROFESSIONAL COMPENSATION

16. In connection with this representation, the Debtors have agreed to pay GlassRatner its ordinary hourly rates for matters of this nature, with a blended rate of \$375 per hour for services in this matter. The Debtors also have agreed to reimburse GlassRatner for expenses and advances made on the Debtors' behalf. The Debtors believe these rates are reasonable and commensurate with the hourly rates of other firms of similar size and expertise.

LEGAL AUTHORITY

17. Section 327(e) of the Bankruptcy Code provides that a debtor in possession, subject to court approval:

[M]ay employ, for a specified special purpose, other than to represent the [debtor in possession] in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate with respect to the matter on which such attorney is to be employed.

11 U.S.C. § 327(e).

18. Moreover, Bankruptcy Rule 2014(a) requires that an application for retention include:

[S]pecific facts showing the necessity for the employment, the name of the [firm] to be employed, the reasons for the selection, the professional services to be rendered, any proposed arrangement for compensation, and, to the best of the applicant's knowledge, all of the [firm's] connections with the debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee.

Fed. R Bankr. P. 2014(a).

19. The Debtors have selected GlassRatner as their financial advisors because of GlassRatner's experience with respect to such matters. The Debtors believe that GlassRatner's retention is in the best interests of their estates.

20. Accordingly, the Debtors believe that GlassRatner is qualified to provide the specialized services sought by the Debtors. Moreover, as discussed in more detail above, GlassRatner asserts that to the best of its knowledge, information and belief, at the time of the filing of this Application, GlassRatner does not represent or hold any interest adverse to the Debtors with respect to matters on which GlassRatner is to be employed and will disclose any conflicts that may arise in the future or of which it becomes aware and will not represent any party with interests adverse to the Debtors with regard to the matters on which it is to be retained. Thus, the retention of GlassRatner is in the best interests of the Debtors, the Debtors' estates, and all other parties in interest.

NO PRIOR REQUEST

21. No prior application for the relief requested herein has been made to this or any other court.

NOTICE

22. Notice of this Motion will be provided to all parties entitled to notice pursuant to that certain Order Granting Motion for Approval Pursuant to 11 U.S.C. 105(a) and Rule 2002 Establishing Notice Procedures [D.E. 140].

WHEREFORE, the Debtors respectfully request that the Court enter an order: (i) authorizing the Debtors to retain GlassRatner as financial advisor and Ronald L. Glass as Chief Restructuring Officer, and (ii) granting such other and further relief as is just and proper.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was electronically filed with the Clerk of the Court using CM/ECF on September 30, 2016. I also certify that the foregoing document is being served this day on the following counsel of record via transmission of Electronic Filing generated by CM/ECF:

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